

Idaho Transportation Department

Analyst: Milstead

Historical Summary

OPERATING BUDGET	FY 2003 Total App	FY 2003 Actual	FY 2004 Approp	FY 2005 Request	FY 2005 Gov Rec
BY PROGRAM					
Management and Admin Services	21,492,600	19,759,600	20,104,400	20,894,100	20,914,200
Planning	3,606,400	3,315,600	3,624,900	3,731,600	3,727,800
Motor Vehicles	17,457,600	16,129,500	17,882,300	17,703,600	17,693,600
Highway Operations	128,412,300	113,572,600	125,148,100	130,566,100	130,491,000
Capital Facilities	2,800,000	2,799,800	2,150,000	3,850,000	3,850,000
Contract Const/Right-of-Way Acq	394,799,300	257,436,500	253,360,500	241,542,400	241,599,800
Aeronautics	4,030,000	2,495,500	3,333,100	3,424,400	3,416,800
Public Transportation	4,192,700	3,995,700	4,198,200	4,214,500	4,217,100
Total:	576,790,900	419,504,800	429,801,500	425,926,700	425,910,300
BY FUND CATEGORY					
Dedicated	267,872,900	207,922,200	209,862,900	205,364,400	205,352,500
Federal	308,918,000	211,582,600	219,938,600	220,562,300	220,557,800
Total:	576,790,900	419,504,800	429,801,500	425,926,700	425,910,300
Percent Change:		(27.3%)	2.5%	(0.9%)	(0.9%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	97,246,500	89,754,800	98,975,200	101,624,300	102,485,200
Operating Expenditures	58,847,300	50,414,800	54,634,500	56,352,900	55,418,200
Capital Outlay	405,797,700	273,242,800	265,127,700	259,709,800	259,767,200
Trustee/Benefit	14,899,400	6,092,400	11,064,100	8,239,700	8,239,700
Total:	576,790,900	419,504,800	429,801,500	425,926,700	425,910,300
Full-Time Positions (FTP)	1,838.00	1,838.00	1,838.00	1,833.50	1,833.50

Department Description

The Idaho Transportation Department has eight budgeted programs:

- 1) The Management and Administrative Services program develops long-range budgetary plans; develops legislation; develops and operates information systems; provides employee services, financial services, and facilities management; coordinates research activities; and ensures compliance with department policies and procedures.
- 2) The Planning program coordinates the Department's strategic plan; maintains inventories for transportation systems; provides a statewide transportation plan; and assists local governments with transportation planning.
- 3) The Motor Vehicles program manages driver's licenses, vehicle registrations, license plates, and vehicle titles.
- 4) Highway Operations directs statewide highway maintenance and highway improvements; administers federal-aid safety improvement projects and safety tasks; protects highways from oversize, overweight, and dangerous usage; develops projects to improve state and local highway systems to save lives; and maximizes the use of federal, state and local construction funds.
- 5) Capital Facilities administers the design, building and maintenance of Department facilities.
- 6) Contract Construction & Right-of-Way Acquisition accounts for the funds necessary for highway construction projects that maintain and improve the state's highway system.
- 7) Aeronautics assists Idaho municipalities in developing their airports and operates the state's air fleet.
- 8) Public Transportation manages the federal transit grant programs and encourages coordinated transportation services throughout the state.

Idaho Transportation Department

Analyst: Milstead

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2004 Original Appropriation	1,838.00	0	429,801,500	1,838.00	0	429,801,500
Reappropriations	0.00	0	142,248,800	0.00	0	142,248,800
Other Approp Adjustments	0.00	0	0	0.00	0	0
FY 2004 Total Appropriation	1,838.00	0	572,050,300	1,838.00	0	572,050,300
FTP or Fund Adjustments	0.00	0	0	0.00	0	0
FY 2004 Estimated Expenditures	1,838.00	0	572,050,300	1,838.00	0	572,050,300
Removal of One-Time Expenditures	0.00	0	(156,113,200)	0.00	0	(156,113,200)
Base Adjustments	(4.50)	0	(11,509,900)	(4.50)	0	(11,452,500)
FY 2005 Base	1,833.50	0	404,427,200	1,833.50	0	404,484,600
Personnel Cost Rollups	0.00	0	2,193,200	0.00	0	2,193,200
Inflationary Adjustments	0.00	0	934,700	0.00	0	0
Replacement Items	0.00	0	15,703,400	0.00	0	15,703,400
Nonstandard Adjustments	0.00	0	761,900	0.00	0	761,900
Change in Employee Compensation	0.00	0	840,300	0.00	0	1,701,200
FY 2005 Program Maintenance	1,833.50	0	424,860,700	1,833.50	0	424,844,300
1. Aero--Terrain Warning System	0.00	0	16,000	0.00	0	16,000
2. Aero--Federal Grants	0.00	0	1,000,000	0.00	0	1,000,000
3. Alterations & Repair	0.00	0	50,000	0.00	0	50,000
FY 2005 Total	1,833.50	0	425,926,700	1,833.50	0	425,910,300
Change from Original Appropriation	(4.50)	0	(3,874,800)	(4.50)	0	(3,891,200)
% Change from Original Appropriation			(0.9%)			(0.9%)

Idaho Transportation Department

Analyst: Milstead

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2004 Original Appropriation	1,838.00	0	209,862,900	219,938,600	429,801,500

Reappropriations

The Department's FY 2004 appropriation bill authorized ITD to carryover unencumbered balances from the Contract Construction and Right-of-Way Acquisition Program for that same purpose in FY 2005. That amounted to about \$34.6 million in state highway, \$3.6 million in local, and \$100.7 million in federal funds. It also authorized carryover of any unexpended and unencumbered money previously appropriated from the Disaster Fund which amounted to about \$1.7 million. Finally, the bill authorized carryover of any unexpended and unencumbered balances of the State Aeronautics Fund for trustee and benefit payments to be used for Airport Development Grants. That amounted to about \$1,576,000.

Agency Request	0.00	0	41,561,400	100,687,400	142,248,800
Governor's Recommendation	0.00	0	41,561,400	100,687,400	142,248,800

Other Approp Adjustments

Reflects an adjustment to accurately show the on going dedicated fund spending authority (\$322,000) for the Department's IT disaster recovery plan.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

FY 2004 Total Appropriation					
Agency Request	1,838.00	0	251,424,300	320,626,000	572,050,300
Governor's Recommendation	1,838.00	0	251,424,300	320,626,000	572,050,300

FTP or Fund Adjustments

Reflects the transfer of 2.0 FTPs from Management and Administrative Services to Highway Operations to better match resources with need.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

FY 2004 Estimated Expenditures					
Agency Request	1,838.00	0	251,424,300	320,626,000	572,050,300
Governor's Recommendation	1,838.00	0	251,424,300	320,626,000	572,050,300

Removal of One-Time Expenditures

Reflects the removal of one-time expenditures, including capital outlay and \$142 million in carryover.

Agency Request	0.00	0	(54,635,000)	(101,478,200)	(156,113,200)
Governor's Recommendation	0.00	0	(54,635,000)	(101,478,200)	(156,113,200)

Idaho Transportation Department

Analyst: Milstead

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Base Adjustments

Reflects the following adjustments:

MOTOR VEHICLES: Reflects a base reduction due to the transfer of the motor carrier audit function to the State Tax Commission. (Reduction of 4.50 FTPs and \$463,800 in dedicated funds of which \$252,000 is transferred to the Tax Commission; the balance of the spending authority is reverted to the State Highway Account). Also reflects an adjustment for net postage cost savings of \$228,000 stemming from last year's Senate Bill 1064 which allowed the Division to send various notices via first class mail instead of certified mail. [ANALYST NOTE: The transfer of resources to the Tax Commission stems from a recommendation of the Governor's Blue Ribbon Task Force. An agreement was reached between ITD and the Idaho Tax Commission to transfer motor carrier auditing responsibilities to the Tax Commission. A Memorandum of Understanding (MOU) between the agencies was drafted in April, 2003 to cover the details of the transfer of responsibilities. Funding estimates included in the MOU for personnel and operating expenses form the basis for this budget adjustment for FY 2005. This adjustment is also reflected in the State Tax Commission's budget write-up, found on page 6-154 of the LBB. This adjustment appears as an enhancement in the Tax Commission's budget.)

HIGHWAY OPERATIONS: Includes the shift of \$55,000 from Management and Administrative Services to accommodate the transfer of 2.0 FTPs from Management and Admin. Services. This shift is made to more effectively allocate resources.

CAPITAL FACILITIES: Reflects a \$1,000,000 transfer from Contract Construction and Right of Way Acquisition to Capital Facilities in order to accelerate the construction of sand sheds each year. These sand shed constructions will help bring ITD into compliance with the National Pollutant Discharge Elimination System Phase 2 Regulations.

CONTRACT CONSTRUCTION: Includes a transfer of \$1 million to Capital Facilities to expedite sand shed construction across the state. Reduces spending authority by \$10,818,100 for FY 2005 to better match the level of revenue projected to be available for construction. This adjusts the level of appropriated spending authority (by fund source) in the Contract Construction and Right-of-Way Acquisition program.

Agency Request	(4.50)	0	(11,379,500)	(130,400)	(11,509,900)
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The Governor's recommendation adjusts spending authority for FY 2005 to match the level of funding projected to be available for construction. Included in this recommendation is an adjustment to the level of appropriated spending authority, by fund source (dedicated and federal) in the Contract Construction & Right-of-Way Acquisition program.

Governor's Recommendation	(4.50)	0	(11,318,300)	(134,200)	(11,452,500)
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FY 2005 Base					
Agency Request	1,833.50	0	185,409,800	219,017,400	404,427,200
Governor's Recommendation	1,833.50	0	185,471,000	219,013,600	404,484,600

Personnel Cost Rollups

Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are: health insurance rates which are projected to increase by 17 percent, from \$5,548 to \$6,493 per employee; and retirement system (PERSI) rates that will increase by over 6% to 10.39 percent of salary.

Agency Request	0.00	0	1,889,300	303,900	2,193,200
Governor's Recommendation	0.00	0	1,889,300	303,900	2,193,200

Inflationary Adjustments

Includes a general inflationary increase of 1.9% in operating expenditures and trustee/benefit payments.

Agency Request	0.00	0	812,400	122,300	934,700
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The Governor recommends no increase for general inflation.

Governor's Recommendation	0.00	0	0	0	0
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Budget by Decision Unit

	FTP	General	Dedicated	Federal	Total
Replacement Items					
This decision unit includes the following:					
MANAGEMENT & ADMIN. SERVICES: Replacement items includes \$631,200 in computer-related equipment, including 51 of 201 desk-top systems at an average of \$1,025 each; seven CADD servers at \$5,500 each; network storage upgrades at headquarters and the six districts--\$150,000; replace eight of 30 printers (a variety of types) for a total of \$11,900. This request reflects the replacement of 97 items.					
PLANNING: Provides spending authority for the replacement of computer equipment (\$81,600--includes replacing 14 of 51 computers for about \$2,028 each; one digitizing table for \$20,500), one DVD projector for \$10,000, and shop equipment (\$14,600--includes one automatic traffic recorder tester for \$9,000 and other miscellaneous shop equipment).					
MOTOR VEHICLES: Provides spending authority for computer equipment (\$167,000--includes replacing 72 of 391 PCs at about \$1,500 each and replacing eight of 20 printers for about \$1,300 each), office equipment (\$114,600 replaces 2 wood desks at \$600 each and 27 of 27 modular workstation at \$4,200 each), and miscellaneous equipment (\$64,400--includes six of 53 eye testing machines at \$900 each; 10 of 169 portable axle scales at \$3,500 each and 12 of 20 truck scale items at \$2,000 each).					
HIGHWAY OPERATIONS: includes \$5,641,000 to replace equipment under the Department's "Buy-Back" program. (This requires vendors to quote equipment costs along with a price for repurchasing the equipment from ITD at a later date. "Buy-Back purchases are largely offset by \$4,979,900 in receipts).					
Other replacement items include:					
Road Equipment (\$6,505,000)--includes replacing approximately 141 of 1,200 items, including compressors, concrete saws, forklifts, jack hammers, lawn tractors, mortar mixers, sander dump trucks, welders, etc.)					
Motorized equipment (\$825,000)--includes replacing 26 of 234 pick-up trucks, four of 97 sedans, one of 15 Suburbans, six of 57 various kinds of trucks, two of 48 full-size vans, etc.					
Computer equipment (\$490,000)--reflects replacing 273 of 1,324 computer-related items including 31 of 68 various types of printers, 129 of 880 desktop systems, 37 of 108 CADD workstations, etc.					
Laboratory equipment (\$178,200)--reflects replacing various pieces of lab equipment, including emulsion test trailers (\$15,000), immersion circulators (\$2,000), one bending beam rheometer (\$45,000), one dynamic shear rheometer (\$50,000), etc.					
The request also includes the following: communications equipment (\$61,500); shop equipment (\$52,900); engineering equipment (\$46,600) and office equipment (\$35,300).					
This request also includes an upgrade in the existing Computer Aided Drafting and Design (CADD) operating system (\$450,000 in operating expenditures).					
AERONAUTICS: includes one starter/generator overhaul (\$14,000); replaces two T-Wheels (\$63,700 each--these are turbine wheels that generate the plane's power--they are life-limited and must be replaced periodically); one hot section inspection (\$86,200--operating expenditure).					
PUBLIC TRANSPORTATION: replace one of nine PCs with monitor (\$1,500); replace one of two laptops (\$1,800); replace laser printer (\$1,900).					
Agency Request	0.00	0	15,703,400	0	15,703,400
Governor's Recommendation	0.00	0	15,703,400	0	15,703,400

Idaho Transportation Department

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Nonstandard Adjustments

MANAGEMENT & ADMIN. SERVICES: This aligns spending authority with projected costs resulting from increases in information services (\$278,400), interagency-funded network operating expenditures (\$76,000), a LAN infrastructure upgrade (\$140,600), software maintenance (\$3,900), security contract increases (\$10,400), and increases in natural gas costs (\$16,100).

PLANNING: Includes a reduction of \$2,400 for allocated software maintenance costs.

MOTOR VEHICLES: Includes spending authority to cover cost increases for secure title documents (\$10,000), processing and mailing of plate requests by Correctional Industries (\$4,100), desktop software maintenance (\$8,400) and for natural gas increases (\$400).

HIGHWAY OPERATIONS: Includes \$84,500 for increases in natural gas rates and \$13,400 for software maintenance cost increases.

AERONAUTICS: Reflects a net increase of \$200 in spending authority stemming from increases in natural gas rates largely offset by reduced software maintenance costs..

PUBLIC TRANSPORTATION: A \$500 reduction in software maintenance costs.

Also, the Statewide Cost Allocation Plan assesses state agencies for their actual use of Attorney General, State Controller and State Treasurer services. Also included are changes in property/casualty insurance premiums. Adjustments include the following: reduction of \$16,000 in Attorney General fees; reduction of \$124,600 in controller fees; reduction of \$6,000 in Treasurer fees; and an increase of \$265,000 for risk management property/casualty rates.

Agency Request	0.00	0	761,900	0	761,900
Governor's Recommendation	0.00	0	761,900	0	761,900

Change in Employee Compensation

Reflects the cost of a 1% salary increase for permanent and group positions.

Agency Request	0.00	0	721,600	118,700	840,300
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The Governor recommends a compensation increase of 2% to be distributed based on merit. No adjustment to the pay line is recommended.

Governor's Recommendation	0.00	0	1,460,900	240,300	1,701,200
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FY 2005 Program Maintenance

Agency Request	1,833.50	0	205,298,400	219,562,300	424,860,700
Governor's Recommendation	1,833.50	0	205,286,500	219,557,800	424,844,300

1. Aero--Terrain Warning System

Aeronautics

This D.U. provides \$16,000 in dedicated fund spending authority for the purchase of a Terrain Avoidance Warning System (TAWS). This system warns pilots when/if their plane is flying too close to the ground--something which is particularly important during poor weather conditions. This system will be installed in the King Air to comply with FAA requirements that TAWS be installed in all turbine-powered aircraft by March 2005.

Agency Request	0.00	0	16,000	0	16,000
Governor's Recommendation	0.00	0	16,000	0	16,000

Idaho Transportation Department

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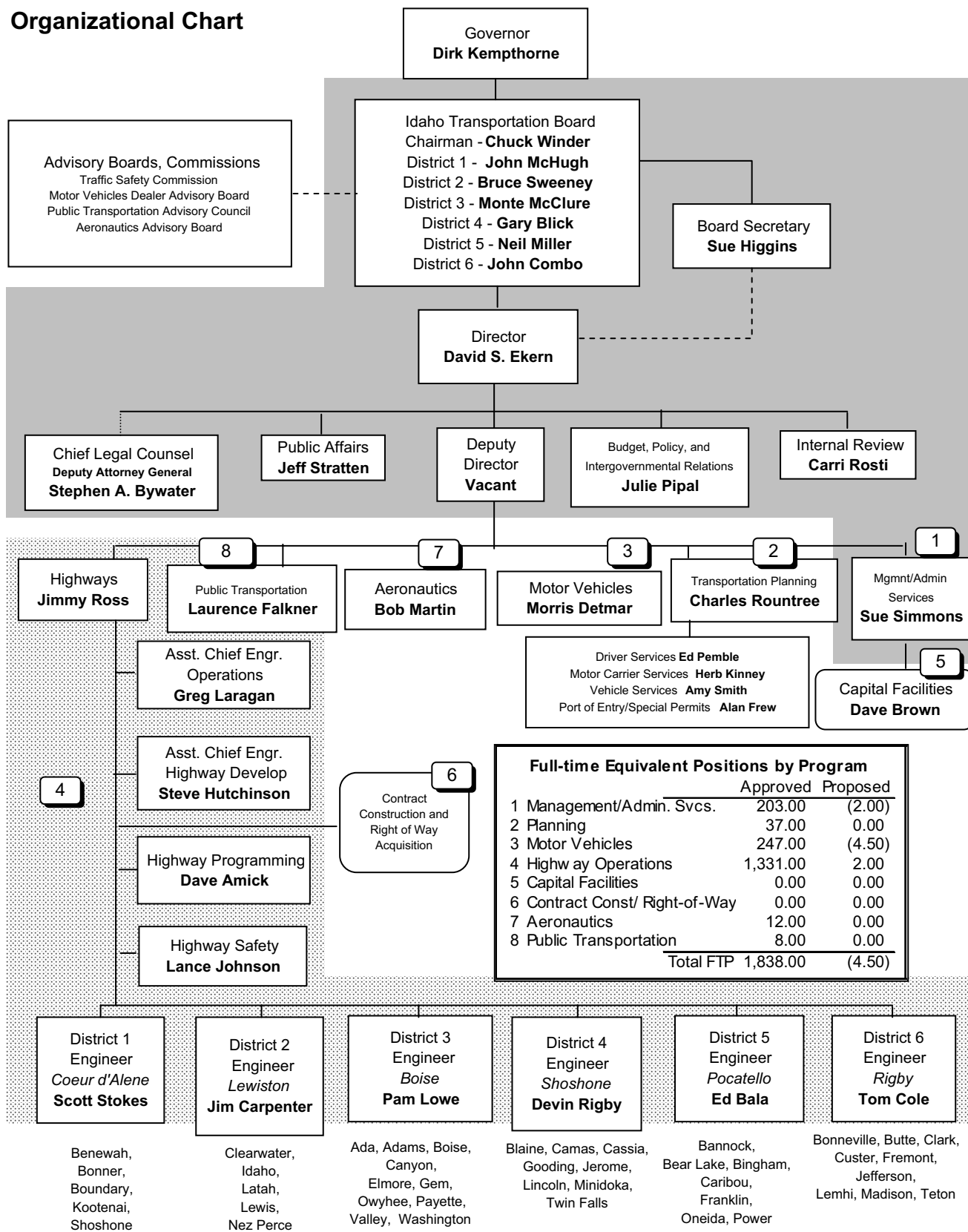
Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Aero--Federal Grants					Aeronautics
This D.U. will provide \$1 million in federal fund spending authority for annual grants to specific airports, including some of Idaho's smaller airports (Buhl, Council, Homedale, Orofino, and Priest River) through the FAA's new Non-Primary Entitlement Program (NPE). This program allows the Division to administer these projects while allowing the airports greater local control over the specific projects.					
Agency Request	0.00	0	0	1,000,000	1,000,000
Governor's Recommendation	0.00	0	0	1,000,000	1,000,000
3. Alterations & Repair					Capital Facilities
This request provides \$50,000 in on-going dedicated fund spending authority to establish funding in the Department's Capital Facilities program to address scheduled Aeronautics projects. These alteration and repair projects will take place on the state's public airports and are part of ITD's multi-year facilities maintenance plan. State Aeronautics dedicated funds will be used to finance this request.					
Agency Request	0.00	0	50,000	0	50,000
Governor's Recommendation	0.00	0	50,000	0	50,000
FY 2005 Total					
Agency Request	1,833.50	0	205,364,400	220,562,300	425,926,700
Governor's Recommendation	1,833.50	0	205,352,500	220,557,800	425,910,300
Agency Request					
Change from Original App	(4.50)	0	(4,498,500)	623,700	(3,874,800)
% Change from Original App	(0.2%)		(2.1%)	0.3%	(0.9%)
Governor's Recommendation					
Change from Original App	(4.50)	0	(4,510,400)	619,200	(3,891,200)
% Change from Original App	(0.2%)		(2.1%)	0.3%	(0.9%)

Idaho Transportation Department

Issues & Information

Analyst: Milstead

Organizational Chart



Idaho Transportation Department

Issues Information

Analyst: Milstead

Idaho Transportation Dept. Tax Rates and Selected Trend Indicators

Year	State Fuel Tax Rate (cents)
1976-1981	9.5
1981-1982	11.5
1982-1983	12.5
1983-1988	14.5
1988-1991	18.0
1991-1995	21.0
1996 to present	25.0

- * The Legislature increased gasoline and special fuel rates 4 cents effective April 1, 1996. The one cent Petroleum Storage Trust Tax effective May 1990 through October 1, 2000 is not reflected in the above tax rates.
- * Among six regional neighboring states, Idaho's state and local fuel tax rate is in the middle--three regional neighbors have higher rates (NV, MT, OR) while three have lower rates (UT, WA, WY).
- * Federal motor fuel taxes of 18.4 cents are in addition to state and local fuel taxes and petroleum storage fees. The current total gas tax in Idaho is 43.4 cents per gallon.

Selected Trend Indicators Actual and Projected Annual Growth

	Annualized FY78-04	Projected FY03-04
Annual Vehicle Miles Traveled	4.0%	3.3%
Cars Registered	3.6%	1.8%
Driver Licenses	2.4%	2.1%
Population	2.0%	1.1%
Gallons of Total Highway Fuel Taxed*	1.8%	1.0%
Gallons of Gasoline Taxed	0.7%	0.3%

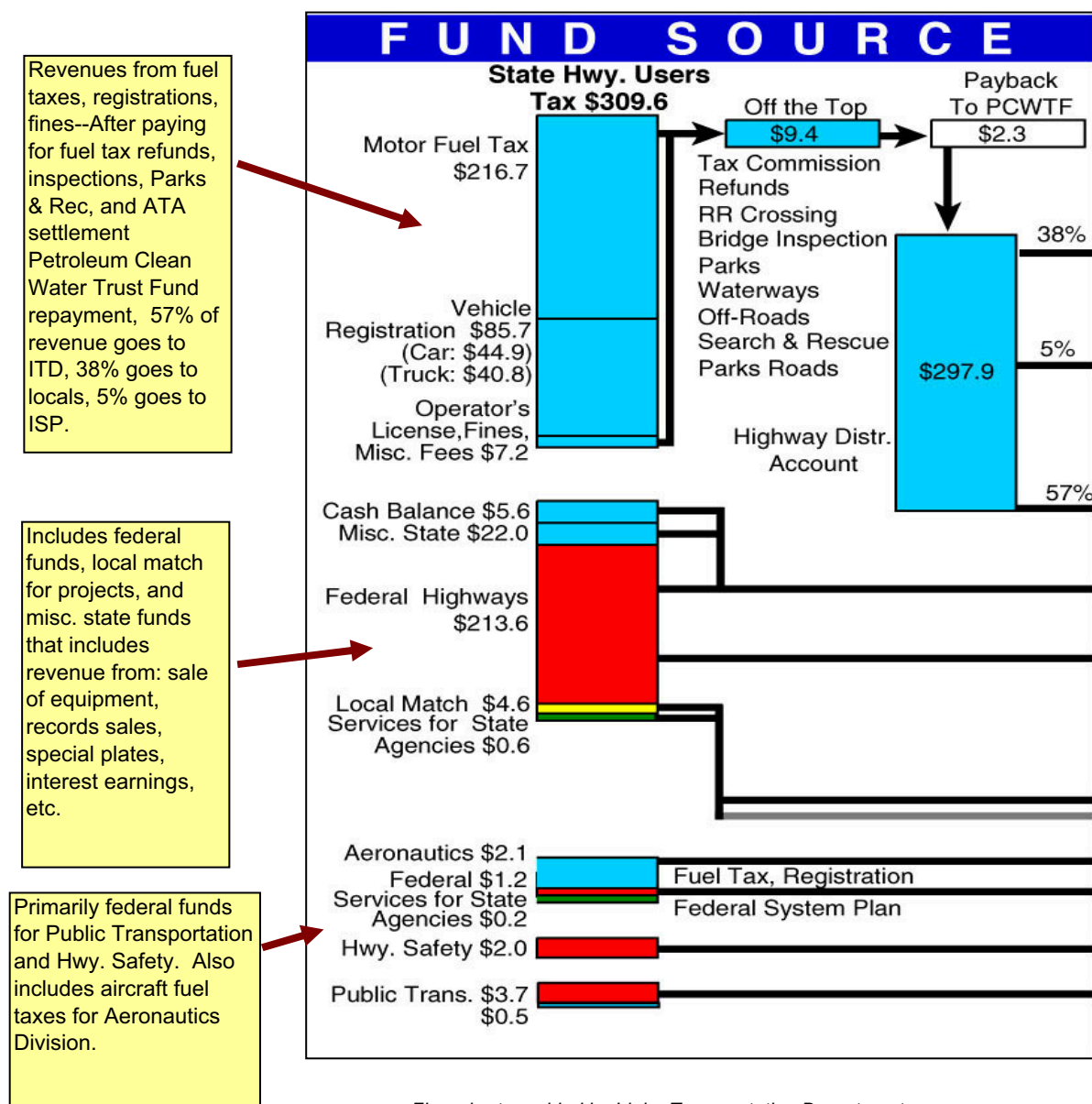
*Highway fuel includes gallons of gasoline, diesel, and other highway-taxable fuels sold.

Idaho Transportation Department Issues & Information

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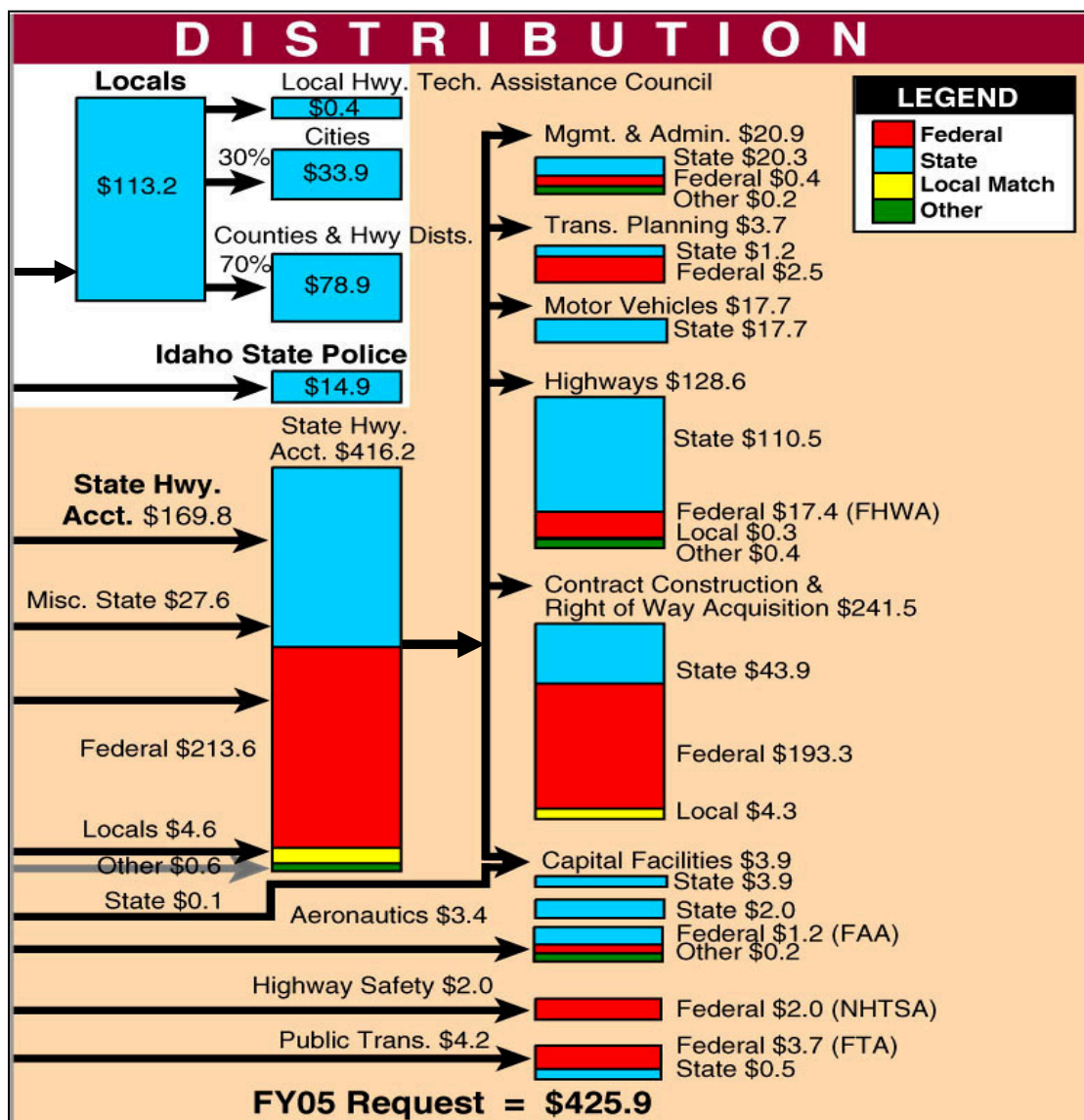
FY05 Idaho Transportation Dept. Request

The flow-charts on these two pages reflect ITD's funding mechanism as illustrated in its FY 2005 Request. The Department is financed entirely through a mix of dedicated, federal and local monies. The Idaho Constitution restricts the use of taxes and fees on motor vehicle fuels and registrations, requiring that these funds shall be used exclusively for the construction, repair and maintenance and traffic supervision of public highways.



FY05 Idaho Transportation Dept. Request

This side of the page reflects distribution of transportation dollars. The area that is shaded brown reflects requested funding for ITD. The right-hand side of the shaded area reflects the distribution of revenue to the Department's various divisions and budget units. The bulk of funding goes to Contract Construction and Right of Way Acquisition (\$241.5 million) and to Highway Operations (\$128.6 million). The total FY 2005 request is \$425.9 million (see bottom of flow-chart)



Flow chart provided by Idaho Transportation Department.